CERTIFICATION OF ENROLLMENT

SUBSTITUTE HOUSE BILL 1453

Chapter 11, Laws of 1995

54th Legislature 1995 Regular Session

Reserve police officers--Eligibility for volunteer fire fighters' relief and pension retirement benefits

EFFECTIVE DATE: 7/23/95

Passed by the House March 10, 1995 Yeas 97 Nays 0

CLYDE BALLARD

Speaker of the House of Representatives

Passed by the Senate April 4, 1995 Yeas 47 Nays 0

CERTIFICATE

I, Timothy A. Martin, Chief Clerk of the House of Representatives of the State of Washington, do hereby certify that the attached is SUBSTITUTE HOUSE BILL 1453 as passed by the House of Representatives and the Senate on the dates hereon set forth.

JOEL PRITCHARD TIMOTHY A. MARTIN

President of the Senate

Chief Clerk

Approved April 12, 1995

FILED

April 12, 1995 - 11:10 a.m.

MIKE LOWRY

Governor of the State of Washington

Secretary of State State of Washington

SUBSTITUTE HOUSE BILL 1453

Passed Legislature - 1995 Regular Session

State of Washington 54th Legislature 1995 Regular Session

By House Committee on Appropriations (originally sponsored by Representatives Foreman, Ogden, Chappell, Costa, Dickerson, Schoesler, Stevens and Radcliff)

Read first time 03/06/95.

- 1 AN ACT Relating to reserve officers' retirement; amending RCW
- 2 41.24.010, 41.24.030, 41.24.040, 41.24.170, 41.24.172, 41.24.190, and
- 3 41.24.200; reenacting and amending RCW 41.24.240; and adding new
- 4 sections to chapter 41.24 RCW.
- 5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 6 Sec. 1. RCW 41.24.010 and 1993 c 331 s 1 are each amended to read 7 as follows:
- 8 As used in this chapter:
- 9 "Municipal corporation" or "municipality" includes any county, city
- 10 ((or)), town or combination thereof, fire protection district, local
- 11 <u>law enforcement agency</u>, or any water, irrigation, or other district,
- 12 authorized by law to afford emergency medical services or protection to
- 13 life and property within its boundaries ((from fire)).
- "Fire department" means any regularly organized fire department or
- 15 emergency medical service district consisting wholly of volunteer fire
- 16 fighters, or any part-paid and part-volunteer fire department duly
- 17 organized and maintained by any municipality: PROVIDED, That any such
- 18 municipality wherein a part-paid fire department is maintained may by

- 1 appropriate legislation permit the full-paid members of its department 2 to come under the provisions of chapter 41.16 RCW.
- "Fire fighter" includes any fire fighter or emergency worker who is 4 a member of any fire department of any municipality but shall not 5 include full time, paid fire fighters who are members of the Washington 6 law enforcement officers' and fire fighters' retirement system, with 7 respect to periods of service rendered in such capacity.
- "Emergency worker" means any emergency medical service personnel, regulated by chapters 18.71 and 18.73 RCW, who is a member of an emergency medical service district but shall not include full-time, paid emergency medical service personnel who are members of the Washington public employees' retirement system, with respect to periods of service rendered in such capacity.
- "Performance of duty" shall be construed to mean and include any work in and about company quarters or any fire station or any other place under the direction or general orders of the chief or other officer having authority to order such member to perform such work; responding to, working at, or returning from an alarm of fire; drill; or any work performed of an emergency nature in accordance with the rules and regulations of the fire department.
- "State board" means the state board for volunteer fire fighters <u>and</u> reserve officers created herein.
- "Board of trustees" means a board of trustees created under RCW 41.24.060 or, for matters affecting an emergency worker, an emergency medical service district board of trustees created under RCW 41.24.330.
- 26 "Appropriate legislation" means an ordinance when an ordinance is 27 the means of legislating by any municipality, and resolution in all 28 other cases.
- 29 <u>"Reserve officer" means the same as defined by the Washington state</u>
 30 <u>criminal justice training commission under chapter 43.101 RCW.</u>
- 31 <u>"Participant" means any fire fighter, emergency worker, or reserve</u>
- 32 <u>officer who is or may become eligible to receive a benefit of any type</u>
- 33 <u>under the retirement provisions of this chapter, or whose beneficiary</u>
- 34 may be eligible to receive any such benefit.
- 35 <u>NEW SECTION.</u> **Sec. 2.** (1) Except as provided in subsection (2) of
- 36 this section, any municipality may make provision by appropriate
- 37 legislation and payment of fees required by RCW 41.24.030(1)(d) solely

- 1 for the purpose of enabling any reserve officer to enroll under the 2 retirement provisions of this chapter.
- 3 (2) A reserve officer is not eligible to receive a benefit under 4 the retirement provisions of this chapter for service under chapter 5 41.26, 41.32, or 41.40 RCW.
- 6 (3) Every municipality shall make provisions for the collection and 7 payment of the fees required under this chapter, and shall continue to 8 make provisions for all reserve officers who come under this chapter as 9 long as they continue to be employed as reserve officers.
- 10 (4) A reserve officer is not eligible to receive a benefit under 11 the relief and compensation provisions of this chapter.
- 12 **Sec. 3.** RCW 41.24.030 and 1992 c 97 s 1 are each amended to read 13 as follows:
- (1) There is created in the state treasury a trust fund for the benefit of the ((fire fighters of the state)) participants covered by this chapter, which shall be designated the volunteer fire fighters' relief and pension principal fund and shall consist of:
- 18 (a) All bequests, fees, gifts, emoluments, or donations given or 19 paid to the fund.
- 20 (b) An annual fee for each member of its fire department to be paid 21 by each municipal corporation for the purpose of affording the members 22 of its fire department with protection from death or disability as 23 provided in this chapter as follows:
- 24 (i) Ten dollars for each volunteer or part-paid member of its fire 25 department;
- (ii) A sum equal to one and one-half of one percent of the annual salary attached to the rank of each full-paid member of its fire department, prorated for 1970 on the basis of services prior to March 1, 1970.
- (c) Where a municipal corporation has elected to make available to the members of its fire department the retirement provisions as provided in this chapter, an annual fee of sixty dollars for each of its fire fighters electing to enroll therein, thirty dollars of which shall be paid by the municipality and thirty dollars of which shall be paid by the fire fighter.
- 36 (d) Where a municipal corporation has elected to make the 37 retirement provisions of this chapter available to reserve officers, 38 for each reserve officer that elects to enroll: An annual fee of

- 1 thirty dollars shall be paid by the reserve officer and an annual fee
- 2 determined by the state board based on the latest actuarial valuation
- 3 shall be paid by the municipal corporation. The fee paid by the
- 4 <u>municipal corporation may include operating expenses.</u>
- 5 <u>(e)</u> Forty percent of all moneys received by the state from taxes on 6 fire insurance premiums shall be paid into the state treasury and
- 7 credited to the administrative fund created in subsection (2) of this
- 8 section.
- 9 $((\frac{e}{)})$ The state investment board, upon request of the state
- 10 treasurer shall have full power to invest or reinvest such portion of
- 11 the amounts credited to the principal fund as is not, in the judgment
- 12 of the treasurer, required to meet current withdrawals. Such
- 13 investments shall be made in the manner prescribed by RCW 43.84.150 and
- 14 not otherwise.
- 15 $((\frac{f}{f}))$ (q) All bonds or other obligations purchased according to
- 16 $((\frac{e}{e}))$ of this subsection shall be forthwith placed in the custody
- 17 of the state treasurer, and he or she shall collect the principal
- 18 thereof and interest thereon when due.
- 19 The state investment board may sell any of the bonds or obligations
- 20 so acquired and the proceeds thereof shall be paid to the state
- 21 treasurer.
- The interest and proceeds from the sale and redemption of any bonds
- 23 or other obligations held by the fund and invested by the state
- 24 investment board shall be credited to and form a part of the principal
- 25 fund, less the allocation to the state investment board expense account
- 26 pursuant to RCW 43.33A.160.
- 27 All amounts credited to the principal fund shall be available for
- 28 making the benefit payments required by this chapter.
- 29 The state treasurer shall make an annual report showing the
- 30 condition of the fund.
- 31 (2) The volunteer fire fighters' relief and pension administrative
- 32 fund is hereby created in the state treasury. Moneys in the account,
- 33 including unanticipated revenues under RCW 43.79.270, may be spent only
- 34 after appropriation, and may be used only for operating expenses of the
- 35 volunteer fire fighters' relief and pension principal fund, the
- 36 operating expenses of the volunteer fire fighters' relief and pension
- 37 administrative fund, or for transfer from the administrative fund to
- 38 the principal fund.

- 1 (a) The state board shall compute a percentage of the amounts 2 credited to the administrative fund to be paid into the principal fund.
- 3 (b) For the purpose of providing amounts to be used to defray the 4 cost of administration of the principal and administrative funds, the 5 state board shall ascertain at the beginning of each biennium and 6 request from the legislature an appropriation from the administrative 7 fund sufficient to cover estimated expenses for the biennium.
- 8 <u>NEW SECTION.</u> **Sec. 4.** Credit for service as a reserve officer 9 shall not be counted for purposes of RCW 41.24.170 except as stated in 10 this section: Within one year of an election to cover reserve officers 11 under the retirement provisions of this chapter, the municipality must 12 elect, on a one-time basis, one of the following:
- 13 (1)(a) To count credit for service only after the effective date of 14 this act;
- 15 (b) To pay annual fees only for service after the effective date of 16 this act; or
- (2)(a) To count credit for all service as a reserve officer, but only if the actuarial cost, as determined by the state board, is paid by the municipality. The municipality may charge reserve officers for any portion of the cost; and
- 21 (b) To pay annual fees only for service after the effective date of 22 this act; or
- (3)(a) To count credit for all service as a reserve officer, but only if the actuarial cost, as determined by the state board, is paid by the municipality. The municipality may charge reserve officers for any portion of the cost; and
- (b) To pay annual fees for service prior to the effective date of this act, if:
- (i) The reserve officer elects, within one year of the municipality's election under this section, to pay the annual fee plus one percent per month interest for each year of past service counted; and
- (ii) The municipality pays the actuarial cost, as determined by the state board, of the benefit provided in (b) of this subsection. The municipality may charge reserve officers for any portion of the cost.
- Payments under this section may be made in a lump sum or in a manner prescribed by the state board.

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Sec. 5. RCW 41.24.040 and 1989 c 91 s 10 are each amended to read as follows:

3 On or before the first day of March of each year, every municipal 4 corporation shall pay such amount as shall be due from it to said fund, 5 together with the amounts collected from the ((fire fighters of its fire department)) participants: PROVIDED, That no fire fighter shall 6 7 forfeit his or her right to participate in the relief and compensation 8 provisions of this chapter by reason of nonpayment: PROVIDED FURTHER, 9 That no ((fire fighter)) participant shall forfeit his or her right to 10 participate in the retirement provisions of this chapter until after AND PROVIDED FURTHER, 11 March 1st of such year: That where a municipality has failed to pay or remit the annual fees required within 12 13 the time provided such delinquent payment shall bear interest at the rate of one percent per month from March 1st until paid: AND PROVIDED 14 15 FURTHER, That where a ((fire fighter)) participant has forfeited his or her right to participate in the retirement provisions of this chapter 16 17 that ((fire fighter)) participant may be reinstated so as to participate to the same extent as if all fees had been paid by the 18 19 payment of all back fees with interest at the rate of one percent per 20 month provided he or she has at all times been otherwise eligible.

<u>NEW SECTION.</u> **Sec. 6.** The head of a local law enforcement agency 21 is authorized to enroll its reserve officers and to certify reserve 22 23 officer service under the retirement provisions of this chapter. The 24 head of that agency shall sign, certify, and send to the state board a voucher for each person entitled to payment from the fund, stating the 25 The state board, after review and approval amount of the payment. 26 shall cause a warrant to be issued on the fund for the amount specified 27 and approved on each voucher. However, after the applicant's 28 29 eligibility for pension is verified, the state board shall authorize 30 the regular issuance of monthly warrants in payment thereof without further action of the head of the law enforcement agency. 31

32 **Sec. 7.** RCW 41.24.170 and 1992 c 97 s 2 are each amended to read 33 as follows:

Except as provided in section 4 of this act, whenever any ((fire fighter)) participant has been a member and served honorably for a period of ten years or more as an active member in any capacity, of any regularly organized volunteer fire department or law enforcement agency

of any municipality in this state, and which municipality and ((fire 1 fighter)) participant are enrolled under the retirement provisions, and the ((fire fighter)) participant has reached the age of sixty-five 4 years, the board of trustees shall order and direct that he or she be retired and be paid a monthly pension as provided in this section.

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Whenever a ((fire fighter)) participant has been a member, and served honorably for a period of twenty-five years or more as an active member in any capacity, of any regularly organized volunteer fire department or law enforcement agency of any municipality in this state, and he or she has reached the age of sixty-five years, and the annual retirement fee has been paid for a period of twenty-five years, the board of trustees shall order and direct that he or she be retired and such ((fire fighter)) participant be paid a monthly pension of two hundred twenty-five dollars from the fund for the balance of that ((fire fighter's)) participant's life.

Whenever any ((fire fighter)) participant has been a member, and served honorably for a period of twenty-five years or more as an active member in any capacity, of any regularly organized volunteer fire department or law enforcement agency of any municipality in this state, and the ((fire fighter)) participant has reached the age of sixty-five years, and the annual retirement fee has been paid for a period of less than twenty-five years, the board of trustees shall order and direct that he or she be retired and that such ((fire fighter)) participant shall receive a minimum monthly pension of twenty-five dollars increased by the sum of eight dollars each month for each year the annual fee has been paid, but not to exceed the maximum monthly pension provided in this section, for the balance of the ((fire fighter's)) participant's life.

No pension provided in this section may become payable before the sixty-fifth birthday of the ((fire fighter)) participant, nor for any service less than twenty-five years: PROVIDED, HOWEVER, That:

- (1) Any ((fire fighter)) participant, upon completion of twenty-32 five years' service and attainment of age sixty, may irrevocably elect, 33 34 in lieu of the pension to which that ((fire fighter)) participant would 35 be entitled under this section at age sixty-five, to receive for the balance of his or her life a monthly pension equal to sixty percent of 36 37 such pension.
- (2) Any ((fire fighter)) participant, upon completion of twenty-38 39 five years' service and attainment of age sixty-two, may irrevocably

- elect, in lieu of the pension to which that ((fire fighter))
 participant would be entitled under this section at age sixty-five, to
 receive for the balance of his or her life a monthly pension equal to
 seventy-five percent of such pension.
- (3) Any ((fire fighter)) participant, upon completion of less than 5 twenty-five years of service shall receive the applicable reduced 6 7 pension provided in this subsection, according to the age at which that 8 ((fire fighter)) participant elects to begin to receive the pension. 9 If receipt of the benefits begins at age sixty-five the ((fire 10 fighter)) participant shall receive one hundred percent of the reduced benefit; at age sixty-two the ((fire fighter)) participant shall 11 receive seventy-five percent of the reduced benefit; and at age sixty 12 13 the ((fire fighter)) participant shall receive sixty percent of the reduced benefit. The reduced benefit shall be computed as follows: 14
- 15 (a) Upon completion of ten years, but less than fifteen years of 16 service, a monthly pension equal to fifteen percent of such pension as 17 the ((fire fighter)) participant would have been entitled to receive at 18 age sixty-five after twenty-five years of service;
- (b) Upon completion of fifteen years, but less than twenty years of service, a monthly pension equal to thirty percent of such pension as the ((fire fighter)) participant would have been entitled to receive at age sixty-five after twenty-five years of service; and
- (c) Upon completion of twenty years, but less than twenty-five years of service, a monthly pension equal to sixty percent of such pension as the ((fire fighter)) participant would have been entitled to receive at age sixty-five after twenty-five years of service.
- NEW SECTION. Sec. 8. A reserve officer shall not receive a retirement benefit under this chapter unless he or she completes at least three years of service after the effective date of this act.
- 30 **Sec. 9.** RCW 41.24.172 and 1989 c 91 s 6 are each amended to read 31 as follows:
- Before beginning to receive the pension provided for in RCW 41.24.170, the ((fire fighter)) participant shall elect, in a writing filed with the state board, to have the pension paid under either option 1 or 2, with option 2 calculated so as to be actuarially equivalent to option 1.

- (1) Option 1. A ((fire fighter)) participant electing this option 1 shall receive a monthly pension payable throughout the ((fire 2 fighter's)) participant's life. However, if the ((fire fighter)) 3 4 participant dies before the total pension paid to the ((fire fighter)) participant equals the amount paid into the fund, then the balance 5 shall be paid to the ((fire fighter's)) participant's surviving spouse, 6 7 or if there be no surviving spouse, then to the ((fire fighter's)) 8 <u>participant's</u> legal representatives.
- 9 (2) Option 2. A ((fire fighter)) participant electing this option 10 shall receive a reduced monthly pension, which upon the ((fire 11 fighter's)) participant's death shall be continued throughout the life 12 of and paid to the ((fire fighter's)) participant's surviving spouse 13 named in the written election filed with the state board.
- NEW SECTION. Sec. 10. The state board shall direct payment from the fund in the following cases:
- (1) To any reserve officer, upon his or her request, upon attaining the age of sixty-five years, who, for any reason, is not qualified to receive the monthly retirement pension under this chapter and who was enrolled in the fund and on whose behalf annual fees for retirement pension were paid, a lump sum amount equal to the amount paid into the fund by the reserve officer.

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- (2) If any reserve officer who has not completed at least ten years of service dies without having requested a lump sum payment under subsection (1) or (3) of this section, there shall be paid to the reserve officer's surviving spouse, or if there is no surviving spouse, then to such reserve officer's legal representatives, a lump sum amount equal to the amount paid into the fund by the reserve officer. If any reserve officer who has completed at least ten years of service dies without having requested a lump sum payment under subsection (1) or (3) of this section and before beginning to receive the monthly pension provided for in this chapter, the reserve officer's surviving spouse shall elect to receive either:
- 33 (a) A monthly pension computed as provided for in RCW 41.24.170 34 actuarially adjusted to reflect option 2 of RCW 41.24.172 and further 35 actuarially reduced to reflect the difference in the number of years 36 between the reserve officer's age at death and age sixty-five; or

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- 1 (b) A lump sum amount equal to the amount paid into the fund by the 2 reserve officer and the municipality or municipalities in whose 3 department he or she has served.
- If there is no surviving spouse, then there shall be paid to the reserve officer's legal representatives a lump sum amount equal to the amount paid into the fund by the reserve officer.
- 7 (3) If any reserve officer retires from service before attaining 8 the age of sixty-five years, the reserve officer may make application 9 for the return in a lump sum of the amount paid into the fund by 10 himself or herself.
- 11 **Sec. 11.** RCW 41.24.190 and 1989 c 91 s 16 are each amended to read 12 as follows:
- The filing of reports of enrollment shall be prima facie evidence of the service of the ((fire fighters)) participants therein listed for the year of such report as to service rendered subsequent to July 6, 1945. Proof of service of fire fighters prior to that date shall be by documentary evidence, or such other evidence reduced to writing and sworn to under oath, as shall be submitted to the state board and certified by it as sufficient.
- 20 **Sec. 12.** RCW 41.24.200 and 1989 c 91 s 17 are each amended to read 21 as follows:
- 22 The aggregate term of service of any ((fire fighter)) participant 23 need not be continuous nor need it be confined to a single fire department or law enforcement agency nor a single municipality in this 24 state to entitle such ((fire fighter)) participant to a pension: 25 PROVIDED, That the ((fire fighter)) participant has been duly enrolled 26 27 in a fire department or law enforcement agency of a municipality which 28 has elected to make provisions for the retirement of its ((fire 29 fighters)) participants at the time he or she becomes eligible for such pension as in this chapter provided, and has paid all fees prescribed. 30 31 To be eligible to the full pension a ((fire fighter)) participant must 32 have an aggregate of twenty-five years service, have made twenty-five 33 annual payments into the fund, and be sixty-five years of age at the time the ((fire fighter)) participant commences drawing the pension 34 35 provided for by this chapter, all of which twenty-five years service must have been in the fire department or law enforcement agency of a 36 37 municipality or municipalities which have elected to make provisions

- 1 for the retirement of its ((volunteer fire fighters)) participants:
- 2 PROVIDED, HOWEVER, That nothing herein contained shall require any
- 3 ((fire fighter)) participant having twenty-five years active service to
- 4 continue as a fire fighter or reserve officer and no ((fire fighter))
- 5 <u>participant</u> who has completed twenty-five years of active service for
- 6 which annual pension fees have been paid and who continues as a fire
- 7 fighter or reserve officer shall be required to pay any additional
- 8 annual pension fees.
- 9 **Sec. 13.** RCW 41.24.240 and 1989 c 360 s 26 and 1989 c 91 s 21 are 10 each reenacted and amended to read as follows:
- 11 The right of any person to any future payment under the provisions
- 12 of this chapter shall not be transferable or assignable at law or in
- 13 equity, and none of the moneys paid or payable or the rights existing
- 14 under this chapter, shall be subject to execution, levy, attachment,
- 15 garnishment, or other legal process, or to the operation of any
- 16 bankruptcy or insolvency law. This section shall not be applicable to
- 17 any child support collection action taken under chapter 26.18, 26.23,
- 18 or 74.20A RCW. Benefits under this chapter shall be payable to a
- 19 spouse or ex-spouse to the extent expressly provided for in any court
- 20 decree of dissolution or legal separation or in any court order or
- 21 court-approved property settlement agreement incident to any court
- 22 decree of dissolution or legal separation.
- 23 Nothing in this chapter shall be construed to deprive any ((fire
- 24 <u>fighter</u>)) <u>participant</u>, eligible to receive a pension hereunder, from
- 25 receiving a pension under any other act to which that ((fire fighter))
- 26 participant may become eligible by reason of services other than or in
- 27 addition to his or her services ((as a fire fighter)) under this
- 28 chapter.
- 29 <u>NEW SECTION.</u> **Sec. 14.** Sections 2, 4, 6, 8, and 10 of this act are
- 30 each added to chapter 41.24 RCW.

Passed the House March 10, 1995.

Passed the Senate April 4, 1995.

Approved by the Governor April 12, 1995.

Filed in Office of Secretary of State April 12, 1995.

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